



STATE OF MICHIGAN  
DEPARTMENT OF CORRECTIONS  
LANSING

JENNIFER M. GRANHOLM  
GOVERNOR

PATRICIA L. CARUSO  
DIRECTOR

**DIRECTOR'S OFFICE MEMORANDUM 2007 - 4**

**EFFECTIVE: Immediately**

**DATE:** January 1, 2007

**TO:** Executive Policy Team  
Administrative Management Team  
Wardens

**FROM:** Patricia L. Caruso, Director

**SUBJECT:** Sales Tax on Prisoner Purchases

**SUPERSEDES DOM 2006 - 11 (effective 01/20/06)**

It is anticipated that new legislation will be introduced this year that will require prisoners to pay Michigan sales tax on the purchase of personal property; therefore, the following policy changes set forth in DOM 2006-11 shall remain in effect:

Legal-Sized Envelopes, Carbon Paper and Padlocks

In Correctional Facilities Administration institutions, the Prisoner Benefit Fund shall continue to loan funds for the purchase of legal-sized envelopes and carbon paper for litigation to prisoners who lack sufficient funds to purchase these items, as required by PD 05.03.118 "Prisoner Mail". The Prisoner Benefit Fund also shall continue to loan funds for the purchase of padlocks to prisoners who lack sufficient funds to purchase a padlock, as required by PD 04.02.105 "Prisoner Funds".

Footlockers

PD 04.02.105 "Prisoner Funds" requires funds to be loaned to prisoners who lack sufficient funds to purchase footlockers for allowable excess legal property unless the prisoner is provided a free footlocker or other fire-resistant container approved by the Deputy Director of Correctional Facilities Administration for this purpose for use at that institution. Prisoners who lack sufficient funds for these footlockers shall be loaned a footlocker that the prisoner will keep until s/he has sufficient funds to purchase the footlocker or no longer needs the footlocker (e.g., paroles, discharges, no longer has excess legal property requiring storage in the footlocker). These footlockers shall be conspicuously marked with the institution's three letter identifying code; camps may be marked with the camp code.

At the time the footlocker is loaned to a prisoner, the prisoner shall be required to sign a Disbursement Authorization (Prisoner) form (CAR-893) to purchase a new footlocker when s/he has sufficient funds to

do so; after the form is signed, an institutional debt for the purchase price of the new footlocker and any applicable sales tax shall be placed on the prisoner's institutional account. If a prisoner refuses to sign the form, a hearing to remove funds from the prisoner's account to purchase the footlocker shall be conducted as set forth in PD 04.02.105 "Prisoner Funds". Funds collected on the debt shall be held until the debt is collected in full, at which time the funds shall be applied to the cost of the new footlocker and the new footlocker given to the prisoner. The loaned footlocker shall be returned to the institution that issued it, unless otherwise agreed by the Warden or designee of that institution. If there are insufficient funds to purchase the new footlocker due to an increase in the cost of the footlocker, either the prisoner shall be required to sign a new Disbursement Authorization (Prisoner) form or a hearing shall be conducted to collect the outstanding balance.

#### Debt Collection

PD 04.02.105 "Prisoner Funds" requires that all funds received by a prisoner be used to satisfy his/her debts except as specifically stated in that policy. One of the exceptions in PD 04.02.105 is for those cases where it would leave the prisoner with less than \$9.00 available during the month for personal use, unless otherwise ordered by the court. Since the eligibility criteria for indigency in PD 04.02.120 "Indigent Prisoners" has been increased from \$9.00 to \$10.00, the \$9.00 limit in PD 04.02.105 is increased to \$10.00.

PLC:OLA:prds